

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re	:	Chapter 11
	:	
DELPHI CORPORATION, <u>et al.</u> ,	:	Case No. 05-44481 (RDD)
	:	
Debtors.	:	(Jointly Administered)
	:	
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SECOND SUPPLEMENTAL AFFIDAVIT OF DOUGLAS P.
BARTNER IN SUPPORT OF APPLICATION FOR ORDER UNDER
11 U.S.C. § 327(e) AND FED. R. BANKR. P. 2014
AUTHORIZING EMPLOYMENT AND RETENTION OF SHEARMAN
& STERLING LLP AS SPECIAL COUNSEL

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

Douglas P. Bartner, being duly sworn, deposes and states as follows:

1. I am an attorney admitted to practice law in the State of New York, the State of California, and before the United States District Courts for the Southern and Eastern Districts of New York. I am a member of the law firm of Shearman & Sterling LLP ("Shearman & Sterling"), which maintains its offices at, among other places, 599 Lexington Avenue, New York, New York 10022. On October 8, 2005, the Delphi Corporation and certain of its subsidiaries and affiliates, debtors and debtors-in-possession in these chapter 11 cases (collectively, the "Debtors") filed with this Court my initial affidavit (Docket No. 49, Exhibit 1) (the "Initial Affidavit") in support of the Application For Order Under 11 U.S.C. § 327(e) And Fed. R. Bank. P. 2014 (I) Authorizing Employment And Retention Of Shearman & Sterling LLP As Special Counsel To Debtors And (II) Scheduling Final Hearing Thereon (Docket No. 49) (the

"Application").¹ In the Initial Affidavit, I stated that supplemental affidavits would be filed upon receipt of new information regarding parties-in-interest in these chapter 11 cases. On November 2, 2005, the Debtors filed with this Court my first supplemental affidavit in support of the Application (Docket No. 845) (the "First Supplemental Affidavit," and together with the Initial Affidavit, the "Previous Affidavits") to provide disclosure required in accordance with Rule 2014(a) of the Federal Rules of Bankruptcy Procedure. The Previous Affidavits are incorporated herein by reference. Pursuant to an interim order entered October 14, 2005 (Docket No. 273) and a final order entered December 1, 2005 (Docket No. 1376) (the "Retention Order"), this Court authorized the retention of Shearman & Sterling to serve as the Debtors' special counsel. Shearman & Sterling, as special counsel, has represented, and continues to represent, the Debtors in these chapter 11 cases since the filing of the Debtors' chapter 11 petitions.

2. Unless otherwise stated in this second supplemental affidavit (the "Second Supplemental Affidavit") in support of the Application and in connection with the Previous Affidavits and the Retention Order, I have personal knowledge of the facts set forth hereinafter. To the extent that any information disclosed herein requires further amendment or modification upon Shearman & Sterling's completion of further analysis, or as additional party-in-interest information becomes available, subsequent supplemental affidavits will be submitted to this Court.

3. Except as disclosed otherwise in the Previous Affidavits or hereinafter, neither I, Shearman & Sterling, nor any member, counsel, or associate of Shearman & Sterling, insofar as I have been able to ascertain, (a) represents entities other than the Debtors in

¹ Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed to them in the Application.

connection with the Debtors' chapter 11 cases, (b) has any connections with the Debtors, their creditors or stockholders, or any other party-in-interest, or (c) holds any interest adverse to the Debtors or their estates with respect to the matters on which Shearman & Sterling is retained and employed in these chapter 11 cases.

Supplemental Disclosure

4. Shearman & Sterling has identified the following supplemental client connection: Shearman & Sterling and members, counsel, and associates of Shearman & Sterling currently represent, and may represent in the future, in matters wholly unrelated to these chapter 11 cases, Cerberus Japan K.K., which is an affiliate of Dolce Investments LLC and Cerberus Capital Management, L.P., both of which are interested parties in these chapter 11 cases.

5. To the best of my knowledge and information, the annual fees for Cerberus Japan K.K. did not exceed 1% of Shearman & Sterling's annual gross revenue in 2006.

6. The Debtors collectively have hundreds of suppliers, vendors, landlords, service providers, employees, creditors, and other interested parties in these cases. Shearman & Sterling is continuing and will continue to review potential conflicts. If Shearman & Sterling learns that it has a relationship with, or has represented, a party-in-interest in these cases, I will file another supplemental affidavit immediately and promptly notify this Court and the Office of the United States Trustee.

7. I submit that the representation described in paragraph 4 neither has resulted nor will result in an interest of Shearman & Sterling adverse to the Debtors or their estates with respect to the matters on which Shearman & Sterling is employed, and that Shearman & Sterling is a "disinterested person" within the meaning of section 101(14) of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended.

I have read this Second Supplemental Affidavit, and, to the best of my knowledge, information, and belief, the contents of this Second Supplemental Affidavit are true and correct.

FURTHER AFFIANT SAYETH NOT.

/s/ Douglas P. Bartner
Douglas P. Bartner

Sworn to before me
this 26th day of January, 2007

/s/ Marian D. Luketić
Marian D. Luketić
Notary Public, State of New York
No. 02LU5083644
Qualified in Nassau County

My commission expires:
August 18, 2009